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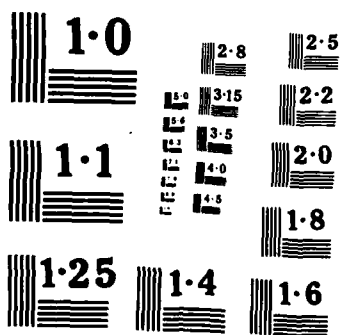
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# NAVAL POSTGRADUATE SCHOOL

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## THESIS

NEW BASES FOR OLD: AN UNUSUAL VIEW  
OF THE PHILIPPINE BASES PROBLEM

by

Cheri Lynn Conilogue

December 1984

Thesis Advisors:

Stephen Jurika  
Claude A. Buss

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This innovative approach would reduce friction with the Filipinos over U.S. facilities' proximity to population centers, jurisdictional disputes stemming from status of forces agreements, and affronts to Philippine "honor and dignity," while enhancing U.S. naval and air capabilities.

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New Bases for Old:  
An Unusual View of the Philippine Bases Problem

by

Cheri Lynn Conilogue  
Lieutenant Commander, United States Navy  
B.A., Colorado Women's College, 1975

Submitted in partial fulfillment of the  
requirements for the degree of

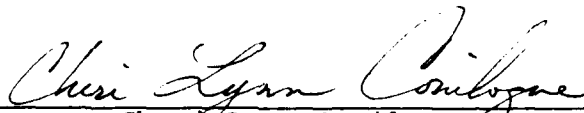
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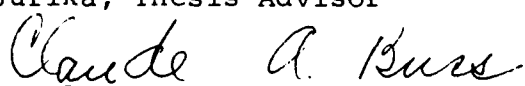
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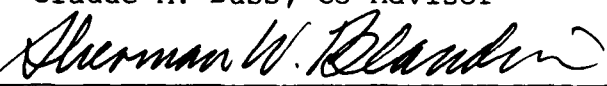
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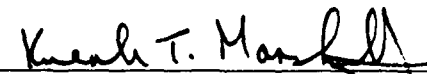
  
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### ABSTRACT

This study takes an unusual view of what would happen should we have to leave our facilities and the bases in the Philippines. Most studies review the most available alternatives, catalog their many faults, and conclude that we must retain our facilities in the Philippines because we have no better sites from which to accomplish our missions.

This study assumes that since we need a permanent, strong U.S. presence in Southeast Asia, instead of having to cope with the changing attitudes of any local government, the U.S. would be better served by locating and purchasing a permanent U.S. site, and building new facilities there. The site proposed is Malampaya Sound, on the Philippine island of Palawan.

This innovative approach would reduce friction with the Filipinos over U.S. facilities' proximity to population centers, jurisdictional disputes stemming from status of forces agreements, and affronts to Philippine "honor and dignity," while enhancing U.S. naval and air capabilities.

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To Stephen Jurika, who was the first to realize the  
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## I. INTRODUCTION

The United States presence in the Philippines has always been a subject of low-key controversy in the U.S. The various issues have been considered more suitable for academic argument than as something requiring action. In the beginning the controversy centered on the question of independence, but after World War II, the topic shifted to economics. However, since Marcos came to power, the U.S. bases have gained attention.

This attention is not going to die down in the near future, and may well require some decisions and action on the part of the United States. The bases agreement is due for review in 1988, and it expires in 1991. The government in the Philippines has to face an election in 1987. All of these are guaranteed to keep the subjects of the United States presence in the Philippines and the U.S. bases in the Philippines on the front pages of newspapers worldwide.

Elections and reviews of the bases agreement are always times when the populace of the Philippines thinks a lot about the role of the U.S. government vis-a-vis the Philippine Islands, and particularly now, when the U.S. appears to some to be supporting an unpopular regime in Manila.

In addition, the recent Sino-British discussion and agreement on the future of Hong Kong has acquainted the people of the world, but most especially those in Southeast

Asia, with the idea that the traditional forms of interaction between Asian and Western governments are not necessarily the way things will always be.

So, even though the question of "what about" the U.S. bases in the R.P. is not new, and several studies have been done and articles written, it is time for the U.S., especially the U.S. Navy, to take a serious look at the question, and make some decisions. Twenty years lead time was not too little for the British in Hong Kong, and five years lead time is not too little for the Navy to decide what it needs and wants in Southeast Asia and the Philippines. Our planning should not be concerned only with "what if" cases, such as where we would go if we had to leave the Philippines. We should look at all facets of the U.S. presence in Southeast Asia, determine the best course, and take positive action.

Even with all the benefits accruing from the U.S. facilities in the Philippines, questions often arise as to whether we should stay. Most of these questions revolve around the strategic question of whether we still need to be in that location and, if not, then where should we be?

Though there is no universal agreement amongst the experts about the strategic necessity of a U.S. presence in Southeast Asia, most studies have affirmed that the U.S. does need to be in Southeast Asia and that since we have, strategically and physically, no better place to go, that

we should stay. Some writers, though, have said that we should not admit that we MUST be anywhere, and that because of the new missile-type war we can move, while there are those who advocate that we pull out of the Philippines right now.

In any case, no study says that the facilities at Clark and Subic are intrinsically necessary. They are good, and currently our fallback position is not perfect, but there is no question that the U.S. could continue to operate in that part of the world even without the Philippine bases. It might be very expensive, and a lot of bother, but it is quite possible.

So, since the discussion seems stalemated on the point that there is no adequate alternative to the U.S. facilities at the Philippine bases and given that the subject of the U.S. presence in the Philippines is only going to become more volatile in the next seven years, this paper will attempt to view this vital question from another direction.

Instead of looking at what we have, and what we would do if we had to leave, this paper proposes that we instead look at what our interests in the area are, what we really need, and the best way to ensure it.

This author believes that the U.S. does need to have a strong, and a continuing, presence in Southeast Asia, and further that the current Clark-Subic location is not the best place to be. It is militarily useful, but is becoming a political hot spot and liability.

to be the center of the more unpleasant aspects of the American presence. A broad and recurrent theme is that the United States, keeping the bases in an attempt to protect its national security interests, runs rough-shod over the sovereignty, desires, national interests, and (most importantly) dignity of the Filipinos.

This theme takes many forms, the most widely-felt of which is that the United States' payment for the bases goes to support the current regime (or, as some put it, the "corrupt Marcos regime"). No matter what the administration is titled, money from the U.S. for the bases is paid to the government, and thus supports it.

To the anti-Marcos group, it doesn't matter that the United States has little choice: it must give the money for the bases to the Philippine government. Nor does it make much difference that even without the money for the bases, Marcos would be in power anyway, just as corrupt and just as rich. These antagonists have seized a highly-visible, international attention-getting way to express their dissatisfaction with Marcos' regime. Their point of view appears justified since President Marcos has become the

...first head of state to acquire two ultra-modern Sikorsky Blackhawk helicopters as personal transport. Each helicopter, normally configured for combat roles, costs about US\$4 million. [A] Sikorsky spokesman...[said] that civilian versions of the S70C helicopters have been configured as 'executive transports' capable of carrying six to eight passengers.<sup>2</sup>

problems in overcrowded Manila. With the U.S. away from Manila, businessmen in other parts of the Philippines would have a chance to get the U.S. contracts, giving an economic boost to their areas. (The government of the Philippines is very interested in fostering economic growth in rural areas.) In the long run, it would be cheaper for the U.S., too. With complete control of the facilities and the surrounding uninhabited area, costs could be managed much as in Diego Garcia, with short-term labor contracts, etc. It would also lessen the costs from theft at the present location.

How do the majority of the people in the Republic of the Philippines feel about the U.S. presence? Do they want the U.S. to stay or to go?

Undeniably, the people of the Philippines are friendly toward America and Americans. But it is, as one Filipino writer put it, a love-hate relationship on the Filipino side.<sup>1</sup> At the same time that American activities are appreciated, and even invited, they are being decried as interference in Philippine affairs.

A survey of FBIS since January 1981 revealed 19 Filipino arguments for withdrawing the U.S. presence. The count would be multiplied if each of the "social problems" caused by the Americans in the towns around the bases were listed separately. There are many people and a host of arguments against having these U.S. facilities in the Philippines.

The bases are the focus of Filipino objections to the American presence. They are highly visible, and often seem



### III. ATTITUDES TOWARDS THE U.S. BASES

Why propose that we change our present facilities in the Philippine Islands? They nestle in a country with which we have had (relatively) good relations for almost a century, where the people really like us and are, on the whole, glad that the U.S. is there. The bases are strategically located, far better than any currently-owned American property in the Western Pacific. They are large, complete, and complex facilities. Finally, but not least, the Philippines are probably the favorite liberty land for most American servicemen. What good would it do to move?

Actually, both the United States and the Philippines would be better off if the U.S. were to buy a new site and move there. Most importantly, both countries would benefit from the political distance which would be created by such a move: it would weaken the argument that the U.S. controls Marcos either because the U.S. needs the bases or because Marcos needs close U.S. presence to strengthen him. It would defuse the argument that the bases are dangerous because they attract nuclear attack, and it would eliminate most of the problems which arise around the question of jurisdiction.

Turning over the airstrip, harbor and land to the government of the Philippines would give them excellent possibilities for commercial expansion, without causing

## CHAPTER II NOTES

1. U.S., Congress, House, Committee on Foreign Affairs, United States-Philippine Relations and the New Base and Aid Agreement. Hearings before a subcommittee of the House Committee on Foreign Affairs. 98th Cong., 1st sess., 1983, pp. 2-6.
2. Ibid., pp. 6-35.
3. Grinter, Lawrence E., The Philippine Bases, National Security Affairs Monograph Series 80-2 (National Defense University Press, 1980), p. 37.
4. House, Committee on Foreign Affairs, U.S.-Philippines Relations, pp. 7-12; Grinter, The Philippine Bases, pp. 65-66; U.S., Congress, House, Investigations Subcommittee and Committee on Armed Services, Review of the Policy Decision to Withdraw United States Ground Forces from Korea. 95th Cong., 1st and 2nd sess., 1978, pp. 337-416; Defense Mapping Agency Hydrographic/Topographic Center, Pub. 941, Fleet Guide, Chapter 10, Subic Bay, 9th ed., 1981, pp. 10-28.
5. House, Committee on Foreign Affairs, U.S. Philippines Relations, pp. 13, 37, 285.

agreement every five years. The 1983 review responded in a number of ways to Philippine sovereignty concerns, established a joint committee to help work out MBA-related problems, and maintained U.S. freedom of operation for the facilities. In addition, President Reagan pledged the best efforts of the executive branch towards obtaining \$900 million in security assistance over the five years beginning 1 October 1984.<sup>5</sup>

long. More relevant to this study is the history of the current U.S.-R.P. Military Bases Agreement.

Negotiations were commenced in 1945 to establish air and naval bases in the Republic of the Philippines with a view to ensuring the territorial integrity of the Philippines, the mutual protection of the United States and the Republic of the Philippines, and the maintenance of peace in the Pacific. The Military Base Agreement was signed on 14 March 1947. The initial agreement was effective for 99 years and provided for use, free of rent, of Clark Air Force Base, Subic Naval Base, and various other smaller facilities. The bases established thereby were U.S. bases with free access for U.S. public vessels and aircraft and with full authority for operational use and control. Since 1947, the bases agreement has been amended 42 times including the 1983 review. In 1966, the fixed term of the bases was reduced from the 80 years remaining on the original 99 year term to 25 years (until 1991) with the agreement to continue indefinitely thereafter subject to termination by either side on one year notice. Under the 1979 agreements, the bases became Philippine bases with U.S. facilities located therein; a substantial amount of excess land was returned; the U.S. was assured unhampered military operations; and, an economic aid and military security assistance package was negotiated contemporaneously with the amendment. The 1979 amendments also provided for a complete review of the

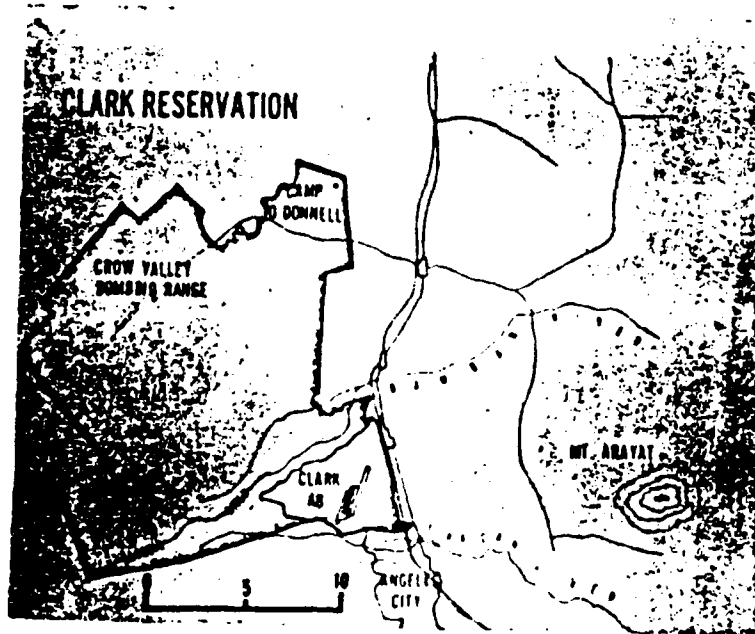
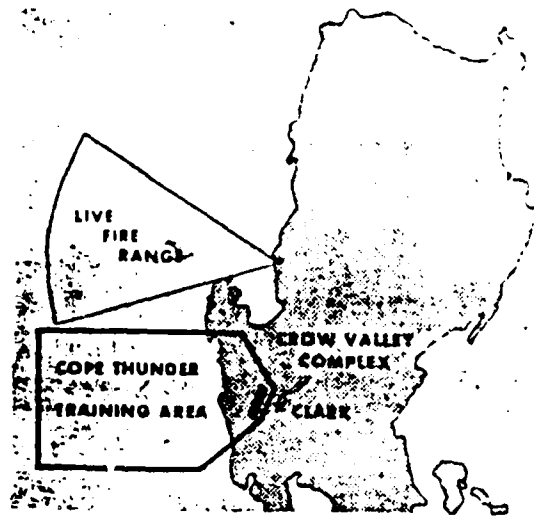


Figure 3. USAF Facilities, Philippines

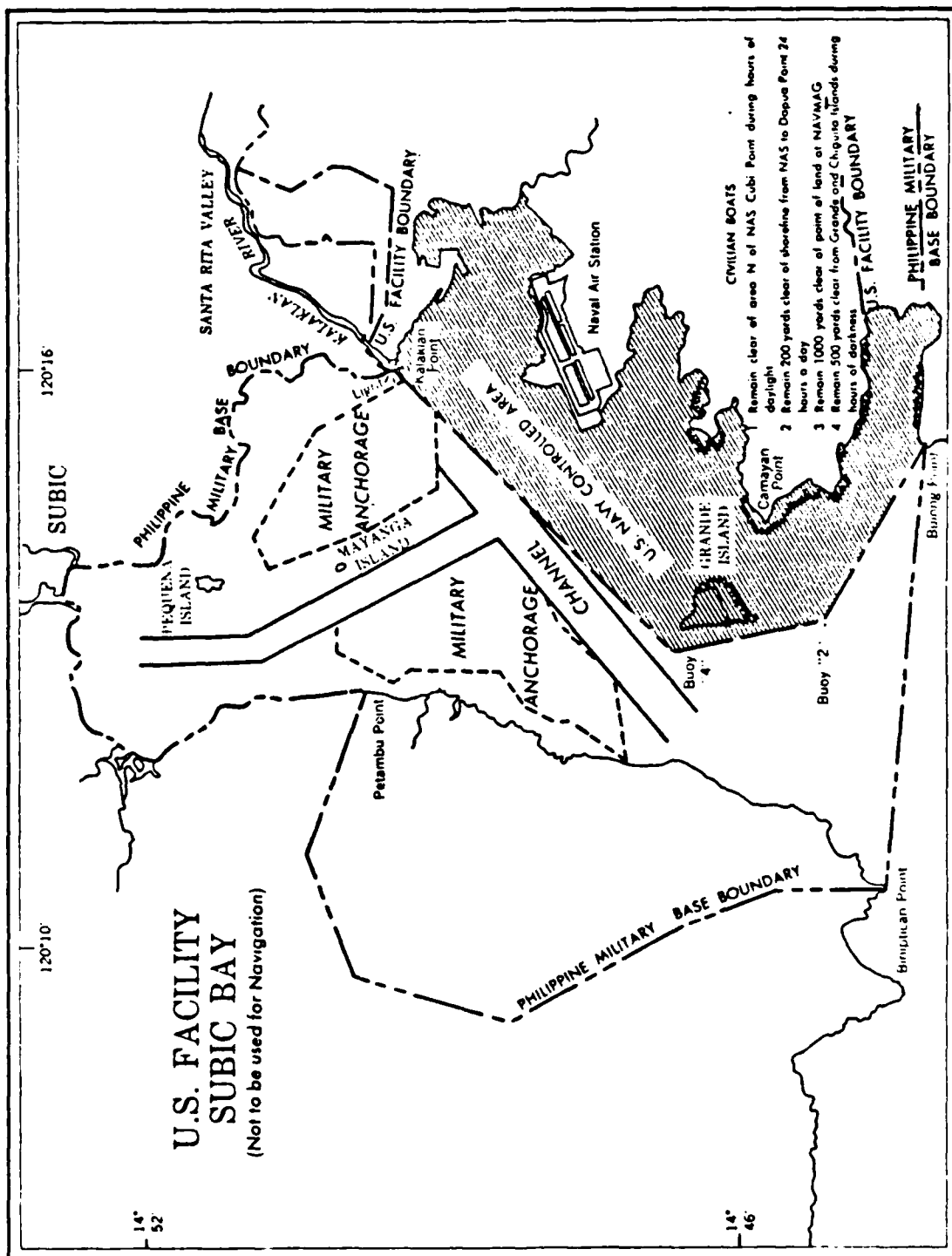


Figure 2. U.S. Facility, Subic Bay

several smaller supporting activities, such as San Miguel Naval Communications Station (25 miles north of Subic), one of the primary communication stations in the Western Pacific; Wallace Air Station, which provides a portion of the radar coverage for the air defense of the main Philippine island and has a drone launch facility for PACAF intercept training; and John Hay Air Base, a rest and recreation center for U.S. personnel. The U.S. also has use of Crow Valley Weapons Range at Clark, with extensive bombing, gunnery and electronic warfare ranges, and the Zambales Range on the Zambales Peninsula opposite Subic Bay, where the complete range of amphibious equipment and tactics can be utilized<sup>4</sup> (see Figures 2 and 3).

Many of the facilities located at these bases are either the largest ones in existence outside of the U.S. (for example, the entire Subic Bay naval complex), or are the only ones in existence outside of the U.S. (like the Crow Valley Weapons Range). These facilities, because of their size, complexity and co-location, offer advantages which cannot currently be duplicated anywhere in the Pacific.

#### B. BASING ARRANGEMENTS

The U.S. has had facilities at Subic Bay since 1901, when it was decided that Subic was superior to Cavite Bay, and the old Spanish installation there as well as the lands around Subic Bay were placed under the control of the Navy Department. The history of the bases is interesting, and

- Support for our treaty commitments in East Asia;
- Support for ASEAN and strengthening of U.S. ties to ASEAN countries.<sup>2</sup>

In addition to this long list of American interests in the region which are fulfilled by the Philippine bases, are the American interests in the Republic of the Philippines itself, which tend to focus on the following:

- Retaining the Philippines as a friend and ally so as to permit relatively unencumbered use of local military facilities;
- Maintaining U.S. investments and special economic privileges in the country, while expanding U.S. and multi-lateral trade on mutually beneficial terms;
- Encouraging the market economy of the Philippines to succeed, thereby averting socioeconomic chaos and/or political radicalism;
- Placing the U.S.-Philippine "special relationship" on a more modern footing, thereby reducing its emotional and mendicant aspects;
- Encouraging the Marcos government to liberalize its treatment of political opponents.<sup>3</sup>

#### A. U.S. FACILITIES

The U.S. has two major installations in the Philippines--Clark Air Base and Subic Naval Base--which enable us to take advantage of the strategic location of the Philippines in our efforts to look after our interests. We also operate



The military facilities at Clark Air Base, Subic Naval Base, and elsewhere in the Philippines provide U.S. forces with a wide variety of important services which are essential to maintaining the following military capabilities in and adjacent to the region:

- A continuous air and naval presence in the Western Pacific (within four flying hours or five sea days to Japan, Guam, Singapore, and Korea) with the capability to project and support a U.S. presence at Diego Garcia in the Indian Ocean (within eight flying hours or eight sea days);

- Air and naval capability to meet contingencies outside the Western Pacific, such as in the Persian Gulf, Arabian Sea, East African waters and the Middle East;

- A high state of readiness of U.S. operational forces in the Pacific;

- Comprehensive support for all operating forces in the area, including communications, logistics, maintenance, training and personnel requirements;

- One of the best protected deep-water harbors available in Southeast Asia;

- The largest, most efficient ship repair facility in the Pacific;

- Major war reserve materiel storage for a variety of contingencies;

- An effective counterbalance in the area to the growing military power of the Soviet Union and its surrogates;

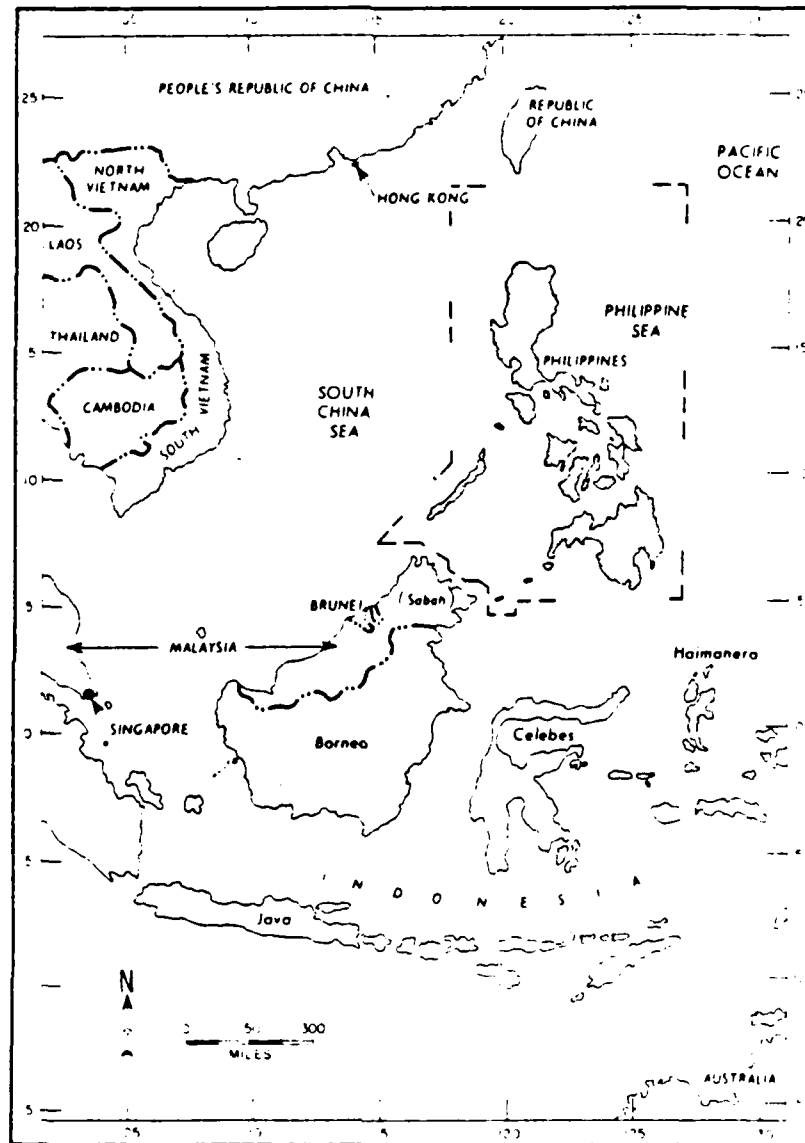


Figure 1. The Philippines, Geographical Setting

## II. THE PHILIPPINE BASES

The Philippine bases are an important part of the United States' worldwide military role. In June 1983, Adm Robert J. Long, then Commander in Chief, Pacific, told the House Foreign Affairs Committee that

The Asia-Pacific region represents our single largest economic area of interest, and it continues to grow in importance each year...As our economic and political interests [there] increase, so must our interest in its security...We also need to ensure that this vast industrial and technological capability remains oriented to the free world and does not come under the domination or influence of the Soviet Union or other unfriendly powers.

The Soviet military capability in the Asia-Pacific region continues to grow...This sharply enhances the USSR's ability to project power throughout the entire Pacom area. Their access to facilities at Cam Ranh Bay and Da Nang give the Soviets the capability to conduct operations anywhere in Southeast Asia, at their choosing...[Their ally] the Socialist Republic of Vietnam has the largest armed force in the region and poses a potential threat to Thailand...[In Northeast Asia] the Soviets pose an increased threat to Japan, as does North Korea....<sup>1</sup>

The strategic importance of the Philippines to our ability to meet this threat and to overlook our economic interests is readily apparent from looking at a globe. The Philippines sits astride the vital sea and air lanes of the Western Pacific and the gateways to the Indian Ocean. U.S. forces in the Philippines are ideally positioned to give the U.S. maximum flexibility in responding to crises in that part of the world (see Figure 1).

Since the current Philippine base location generates problems, and since there are no suitable alternative sites for a major and continuing U.S. military basing presence, I suggest that the U.S. secure a suitable, uninhabited site in Southeast Asia, and build there a new air and naval base complex. I propose that the United States should buy the northern end of the Philippine island of Palawan, and build a new base complex at Malampaya Sound, in the northwestern part of the island.

Such a new base complex in the Philippines can reduce friction with the Filipinos through remoteness from population centers, jurisdictional disputes (stemming from status of forces agreements), and affronts to Philippine "honor and dignity," without any degradation of U.S. naval and air capability.

(This is in lieu of the eleven fully-equipped troops the helicopter is normally configured to carry.<sup>3</sup>)

While this argument concerning U.S. support for Marcos is a convenient ploy, it does not mean that it is not an issue with the Filipinos. Many people are unhappy with the way President Marcos is running the country. Although they may not believe that the U.S. supports him, they know that the U.S. money, as well as that from other sources, does not reach the people but goes instead to Marcos and his cronies. It makes no difference in their lives if the bases, and the income from them, stay or leave, but they sense that closing the U.S. bases could hurt Marcos.

A second popular complaint in the Philippines about the U.S. bases concerns the way the United States dispenses the money we pay for the lease of the bases. The amended R.P.-U.S. Military Bases Agreement, signed 1 June 1983 by the ambassadors of the U.S. and the R.P. was for a total of \$900 million over a total of five years, with an annual breakdown of \$95 million in military aid and \$85 million in economic aid. The President of the United States stated in his letter to Philippine President Marcos, of May 31, 1983 that

'the Executive Branch of the United States Government will, during the five fiscal years beginning on October 1, 1984, make its best effort to obtain appropriation of security assistance for the Philippines,' then specified the amounts.<sup>4</sup>

Thus the President will try to persuade Congress, but only Congress can decide how much of this money should be

in military, economic and social aid. This has caused friction in the Philippines ever since Congress began its proceedings on the amended R.P.-U.S. Military Bases Agreement. As President Marcos emphasized in his speech of 1 June, 1983,

The Philippines has always treated the package of appropriations set aside for the bases as payments in the forms of rentals...even President Roxas,...and later, President Quirino, referred to these appropriations as rentals and that the Philippine Government would continue to treat them as such--rentals or as compensation for the use of the land which is Philippine territory. But the American Government, however, has not accepted this nomenclature. We have never quarreled about this. We discreetly kept this in the background.<sup>5</sup>

The House Foreign Affairs Committee, Asia and Pacific Subcommittee, under the chairmanship of Congressman Steven J. Solarz, revised the breakdown of the five-year fee of \$900 million from yearly installments of \$95 million for military aid and \$85 million for economic aid, to new figures of \$25 million annually for military aid and \$155 million for economic aid. In addition, the committee wanted to see free and fair elections, respect for human rights, and a return to democracy.<sup>6</sup> Not surprisingly, Filipinos see these decisions by the American Congress as interference. They feel that these are gratuitous demands which denigrate Philippine sovereignty.

It doesn't matter whether these decisions prove to be good for the Philippines. To many people there, the issue is that an agreement was concluded and signed by two sovereign nations, then one of them tried to change the deal. They

try to represent it as an illegal attempt by one nation to control, or exert undue influence over, another. (It was not an illegal change, especially under the terms of President Reagan's letter. In fact, this is the way the U.S. system always works.)

An editorial in the Times Journal (Manila) addressed this situation:

The Philippines Government and the Filipino people cannot take lightly foreign intervention in Philippine affairs, much less the continued "white man's burden" as far as the "little brown brother" is concerned.

The US Government, for example, cannot demand that the Philippines adopt its form of democracy lock, stock, and barrel, in the same way the British Government could not impose on the American people their form of parliamentary government...

Only history will report in unbiased language the form of democracy the Filipino people will evolve but certainly it will be a democracy suited to the Filipino mentality, his customs and traditions and his free-wheeling ways. Revising the U.S.-R.P. Military Bases Agreement to press the Philippine Government into yielding to American pressures will not solve the problem.

Another writer, in an article in the Mindanao Times said:

We deplore the manner with which the US House of Representatives' subcommittee unilaterally revised the bases agreement and placed the Philippine government in an embarrassing position.

If the Philippine Government agrees to accept the new packages of economic and military aid, it will be tantamount to acknowledging that the \$900 million payment is a US dole-out and not the rental paid for the use of the bases here. The difference between "aid" and "rental" is: in the form of "aid" the Philippines being the recipient has absolutely no say whatsoever with the payment. While under "rental" the Philippine Government being the "lessor" and the

US the "lessee," the US Government has no other choice except to abide by the lease agreement stipulated between the two parties.<sup>8</sup>

This leads into another major problem that the people in the Philippines see with the American bases so prominent: so long as those bases remain, the Republic of the Philippines is not really independent. Filipinos and other Asians question whether the Philippine government dares make a decision without considering the possible reactions of the American government.

In addition, there is some feeling that Marcos is, at least in part, a puppet of the U.S., and there are many who feel that if Marcos goes too far, the U.S. will oust him from office and install someone more pro-U.S. If for no other reason than to strengthen Philippine sovereignty, independence and dignity, many would like the U.S. presence much less visible.

Beside these general reasons for removing the U.S. bases from their present location in densely populated areas, there are several arguments directed against the bases themselves. The oldest of these arguments, first stated by former Senator Claro M. Recto, is that the bases are targets for nuclear attack which will, by proximity, cause great damage to the Republic of the Philippines. The ABC (Anti-Bases Coalition) uses this as their main argument, and points out that the security of the Philippines is not threatened by any outside power, that the R.P. has no intrinsic need for these bases, and has no effective control over these



bases and their activities. The Philippines, through no action of its own, and perhaps against its own desires, may be drawn into any conflict in which the U.S. might be engaged because of the U.S. use of these bases and even because of their mere presence. Thus, the bases could be a security threat to the Philippine islands.<sup>9</sup>

One writer goes even further, pointing out that the primary purpose of the bases is

to protect the United States by fighting a war away from the American mainland...Given the choice, anyone would rather fight it out any place but their homeland.<sup>10</sup>

Other people are disturbed by the local social effects spawned by the bases. They complain about the prostitution, drug abuse, crime, health, sanitation, unemployment, congestion, etc. They insist that part of the money the Philippines receives for the bases should be earmarked to alleviate these problems.

Some people complain that the land occupied by the bases could be better used for productive purposes such as agriculture or industry. Another consistent thorny issue is employment on the bases. Even with regular reviews of the Base Labor Agreement of 1968, complaints are still heard about Americans being given preference in employment over Filipinos, that base labor should be governed by Philippine labor laws, and that foreign contractors should have to pay the same taxes as local contractors.

The arguments listed against American influence and the American bases in the Philippines, as well as other gripes

such as the U.S. giving so much to unfriendly (namely Central American) countries while the Republic of the Philippines is forced to beg for handouts, strike most people as trivial. But though each may be inconsequential, they add up to an irritating total.

Nor will they just go away if we ignore them. A problem ignored usually gets bigger, until a crisis flares up. Then we are forced to "put out the fire," instead of finding a solution to the problem.

It is time for the United States government, as well as the U.S. Air Force and the U.S. Navy, to realize that there is a problem and to take positive steps to solve it. There is discontent with the American presence in the Republic of the Philippines. The R.P. is an independent, sovereign nation and it is not the task of the U.S. to solve the problems of its "little brown brother."

The best course, both for the R.P. and the U.S., would be for the U.S. to remove its bases to some other location, which would be just as advantageous and useful for the U.S., while at the same time removing the U.S. from the spotlight shining on Manila. It would eliminate all the arguments against the current basing situation, and it would help the Filipinos economically.

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#### IV. CONSIDERATION OF ALTERNATIVE SITES

Whether or not political and social unrest existed in the Republic of the Philippines, the prudent planner would look at the necessity for the U.S. presence there, and what possible alternatives existed. Many have done so, though admittedly, the question of alternatives has been given added urgency by the unrest in the Philippines.

As noted earlier, the U.S. presence in Southeast Asia is both an intrinsic part of our worldwide defense capability, and a welcome stabilizing influence in the region. Leaving the area would be disadvantageous for both the U.S. and its Asian friends.

All studies which consider possible alternatives to the U.S. facilities in the Philippines conclude that there is no perfect alternative. Even those studies which question the current bases situation in the Philippines conclude that no other site is a decent replacement, nor could any be easily or cheaply transformed.

These studies have all examined sites where the U.S. already has some military or political strength, or considered sites where there are already ship repair facilities, especially those with nearby airfields.

This study will first discuss the problems in general, then in more detail some of the specifics of the previously-proposed alternative locations.

## A. PROBLEMS

The primary problem with the suggested alternatives is that most are too far away to provide adequate support to the Indian Ocean, and to protect and sustain naval and air power in the South China Sea. Figure 4, which depicts distances from Manila, clearly shows the vast distances involved. Guam is almost 1500 nautical miles from Manila (2000 from the South China Sea), Palau is 1000, Okinawa over 800, and Australia about 2000. (Some of the problems caused by this will be covered in detail later.)

A second major problem is that most of these land areas, particularly those in the Trust Territories of the Pacific, are small islands, thus limiting what facilities could be built; with small, untrained populations, necessitating the importation of labor. These islands have limited resources which barely support their own populations; everything needed by the U.S. must be imported.

Some sites in Indonesia, Malaysia, Singapore, and Taiwan don't have the same problems as the small islands, but they pose political problems. The Pacific islands, all under U.S. control or trusteeship, have close relationships with the U.S. Agreements with Guam or any of the Trust Territories would not be expected to have the problems associated with bilateral agreements with a foreign government, such as future restrictions or treaty abrogation.

Even so, any site considered would require extensive negotiations for use permits, and to settle details. These



would be exhaustive since all the sites except Singapore or Kaohsiung, Taiwan would require major buildup of facilities and trained personnel.

Another problem, not usually considered, is that the islands proposed for use--Guam, Tinian, Palau--are in the most typhoon-concentrated part of the Pacific. Figures 5 and 6 show the locations where all the WESTPAC typhoons between 1952 and 1962 began to form and where they reached typhoon intensity. Roughly one-third of WESTPAC's typhoons form within 500 nautical miles of Guam. In fact, going anywhere north or east of Subic Bay increases the likelihood of typhoon visitations.

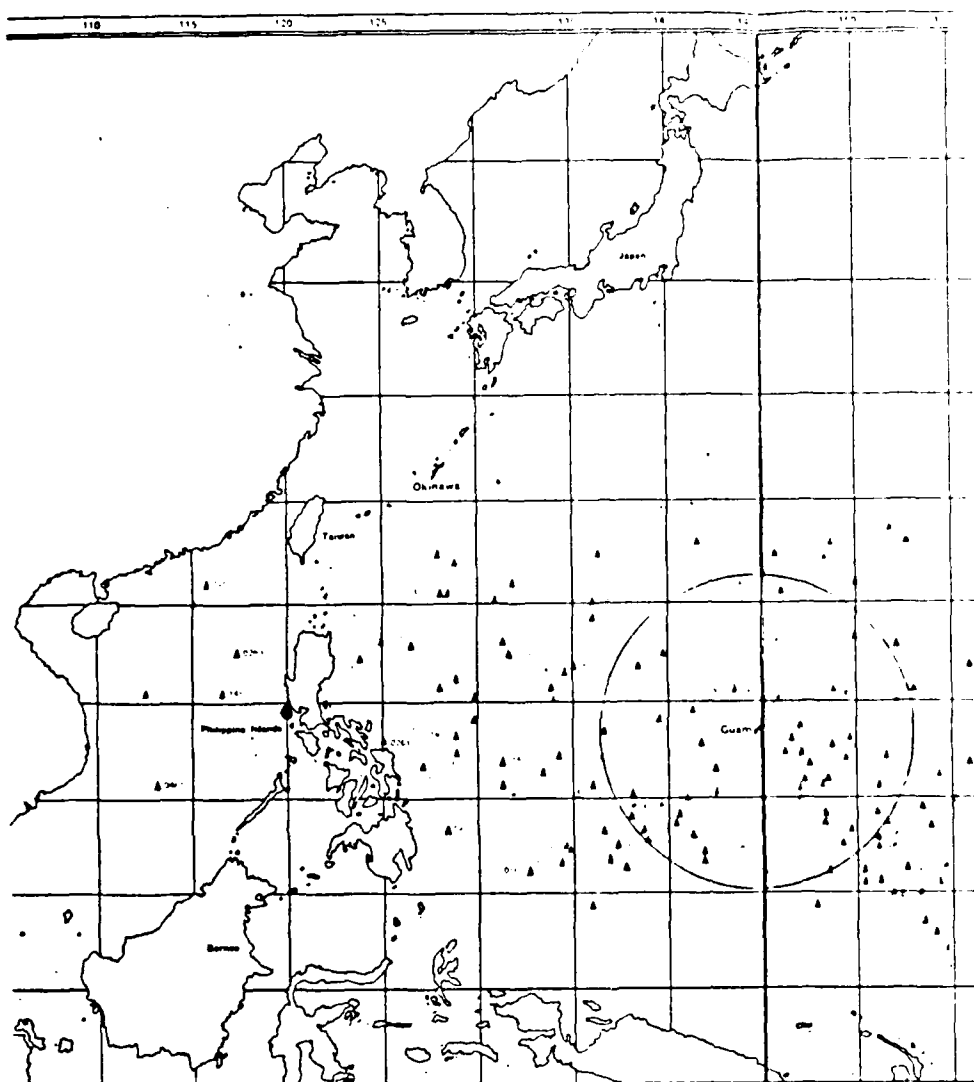
The problem of cost, which often seems to be the biggest problem is covered in detail below.

#### B. RELOCATION TO GUAM

Guam is the site most frequently considered as an alternative and provides a good example of the problems. Since the U.S. already has some facilities there, Anderson Air Force Base, and the naval station at Apra Harbor, which has a naval air station and submarine support facilities, Guam offers the possibility of expansion. Such expansion is, of course, not without difficulties.

Guam is one of the Marianas Islands, located about 1500 miles east of Subic Bay. It is about 30 miles long and averages between 5 and 11 miles wide, with a population of about 96,000. The U.S. Government owns roughly one-third of

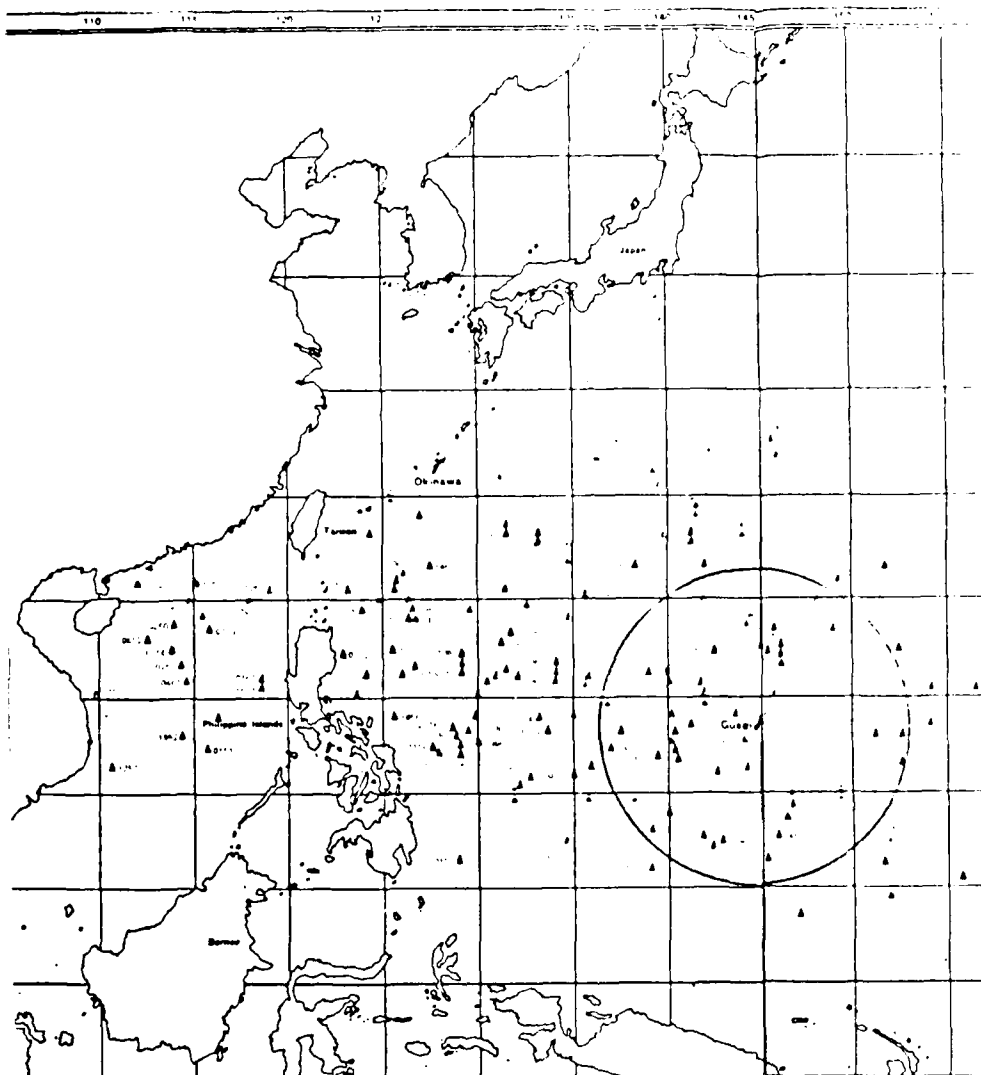




The "breeding ground" of WESTPAC's typhoons—from near the Equator to 25° N. and from 110° E to 180° E. Triangles show where the 184 typhoons between 1952-61, inclusive, began to form. Last two digits indicate calendar year typhoon formed. First two digits indicate the typhoon's sequence number for that year. 0452 means "4th typhoon in 1952," 2061 means "20th typhoon in 1961," etc. Note that 34 per cent of typhoons began to form within 500 N.M. of Guam.

Source: Harding, Edwin T., Heavy Weather Guide  
(U.S. Naval Institute, 1965), pp. 32-33

Figure 5. WESTPAC Typhoon Breeding Ground



*Locations in WESTPAC where the 184 tropical disturbances between 1952-61, inclusive, first reached typhoon intensity (maximum sustained winds 64 knots or higher). Note the slight shift in the triangles to the North and West.*

Source: Harding, Edwin T., Heavy Weather Guide  
(U.S. Naval Institute, 1965), pp. 34-35

Figure 6. WESTPAC Typhoon Beginning Locations

species. Agricultural development has been limited. Both Mindoro and Palawan are considered essentially pioneer areas. In 1970 Palawan had the lowest population density of any of the major islands.<sup>2</sup> The census that year showed that Palawan had a population of 236,635.<sup>3</sup> This gives an average density of 52.6 people per square mile for the island. In contrast, Manila has an average of 9,500 per square mile. This comparatively low population density of Palawan has not changed in the last 45 years.<sup>4</sup>

#### B. WEATHER

The weather in the northern part of Palawan at Malampaya Sound is basically similar to that of the Manila area, but with much less typhoon activity.

There are two distinct seasons, one dry, in the winter and spring, and the other wet, in the summer and autumn. During the wet season (July, August, September) the average monthly rainfall exceeds 20 inches. During the dry season (January, February, March), the average rainfall is less than 1 and 1/2 inches. The average annual rainfall on the west coast of Palawan averages about 120 inches. The climate is hot and humid. Visibility is generally good, fog being rare.

Temperatures are uniformly high but they seldom exceed 95 degrees F or fall below 65 degrees F. Maximum temperatures occur in April, May and June. The coolest months are December, January, and February. Relative humidity is

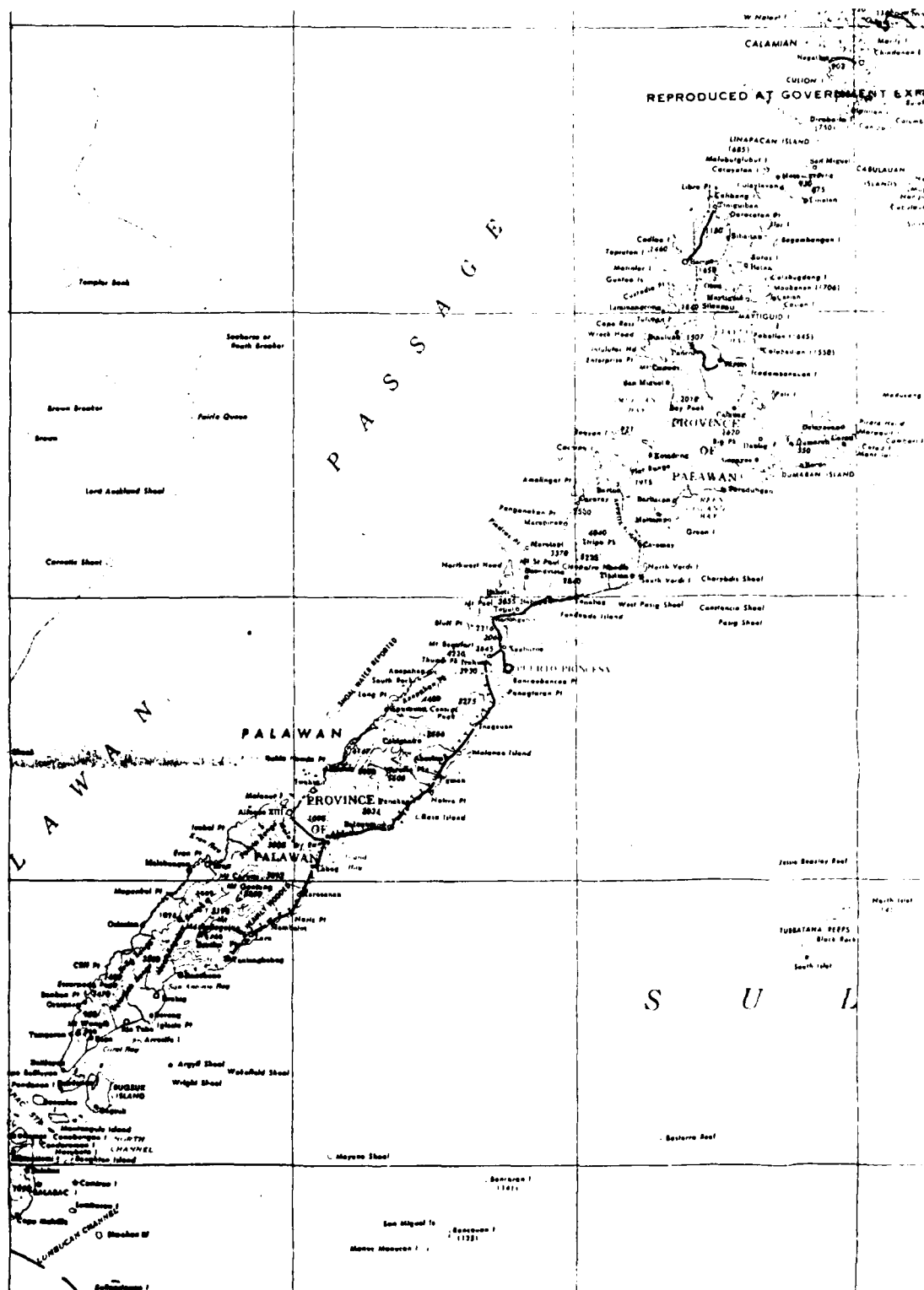


Figure 7. Palawan Island

of the Philippines. Instead, this increased distance (both physically and politically) from Manila will be viewed favorably by all, as would a purchase instead of a lease.

First, I will describe the site, then cover some of the probable reactions to such a move.

#### A. PALAWAN ISLAND

Palawan, the fifth largest island of the Philippine Archipelago, separates the Sulu Sea from the South China Sea. The north end of the island begins about 250 miles SSW of Subic Bay, and runs in a southwesterly direction, pointing at Borneo (see Figure 7). It has a length of over 275 miles, a width varying from five to thirty miles, an area of 4,500 square miles, and is surrounded by well over 1100 smaller islands and islets. The island is very mountainous and steep with many peaks attaining heights of over 900 m (3000 ft), some over 6000 ft, and is bordered by narrow coastal strips. The west coast of Palawan consists mostly of hills and mountain spurs form the high central range. These spurs terminate in steep slopes or cliffs. The coast is generally irregular, especially in the north part where there are many small islands and deep bays. The geologic formation of Palawan is different from all others in the Philippines, and no volcanic activity is known to exist.<sup>1</sup>

The island is sparsely inhabited and little is known of the interior. A good part of the island is covered with hardwood forests, which include some important commercial

## V. PROPOSAL FOR A NEW SITE

As mentioned, the U.S. must find some viable alternative site in case we should encounter problems keeping the Philippine bases. In the last chapter many sites were discussed and discarded for various reasons. Many were too far from the South China Sea and Diego Garcia to be useful. Others were in areas which are too populous, and do not allow for expansion or the exigencies of military operations.

It became clear that, since no existing site fulfilled all our needs, and since either moving to another site--or staying where we are--will inevitably be costly, we should face the contretemps and look for some location which would provide the greatest aggregate advantages.

To that end, I propose that the U.S. buy the northern end of the Philippine island of Palawan, and build a port and airfield complex in the northwestern part of that island, in the area of Malampaya Sound.

This site is eminently suitable: it is in a good strategic location; it is sparsely populated and over 200 miles from even a minor population center; it contains one of the best natural harbors in Southeast Asia, deep enough to anchor several deepdraft vessels, and has excellent natural storm protection.

In addition, this island is in the Philippines. Moving to this site will not harm our relationship with the people

#### CHAPTER IV NOTES

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15. Ibid., p. 11.

Another cost-saving factor is that a new site can have better security, thus cutting down on major losses due to theft. This is especially true if the new site is not near any large population center. Though not widely publicized, the U.S. government, and the sailors and airmen, suffer losses of over \$5 million a year in the Philippines due to theft.

Costs of a new site, though seemingly cut and dried, have several variables. These include the cost of the land, the wages for the labor force used, the extent of the facilities to be built, the moving costs (which is the same as savings over the purchase of replacements for these same items), and the difference in operating costs (both higher and lower).

These costs cannot be looked at in isolation. They must be compared to the higher costs, both financially and politically, which will be incurred by the U.S. if we continue in the present situation.



Given such an opportunity to start from scratch, we might find that our real needs are not exactly those being supplied by the current facilities. Building new facilities would give us an excellent opportunity to have exactly what we want.

Costs are of course dependent on the amount of work to be done, the location, and the cost of the materials and labor. Of the skilled labor forces in Asia, the least expensive workers are in the Philippines, the most expensive in Japan. Wages in Guam and Japan are, respectively, five and seven times higher than wages in the Philippines.<sup>15</sup> Materials and labor will have to be brought in to any site, but a major advantage in Asia comes from the competitive sources available. Several countries are experienced in constructing large facilities outside of their homelands. The U.S. could obtain good prices and good will by contracting parts of a new site with the different countries' firms. Or, the U.S. could bargain with the R.P. for a trade-off of a good price for the land for the hiring of mostly Filipino laborers in the construction.

The costs of building a replacement facility would not necessarily be wholly in addition to the costs of building the Philippine sites. Much of what we have can be transferred to the new site. Moving in itself incurs costs, of course, but it is probably still cheaper to move typewriters, trucks, storage sheds, etc., than it would be to ship new ones from the U.S.

Though the cost of this new land will be high, it must be weighed against future costs of the current sites. Recent experience in the Philippines (and other countries) has shown that the representatives of those countries will work very hard to get the best possible deal they can for themselves. Undoubtedly, each re-negotiation will see the prices for this land go up. It is these high future costs (as well as the costs of fallback sites) against which any purchase price must be measured.

It is also inescapable that building a new site or expanding an existing one will be costly. The U.S. Government estimates that the costs of developing Subic Bay Naval Base and Clark Air Base 25 years ago were over \$1 billion, and attempting to replace these facilities today would be quite expensive--on the order of \$3 billion to \$5 billion.<sup>13</sup> Brigadier General Graham, OJCS, told the House Foreign Affairs committee that "to completely duplicate on Guam today all the facilities currently located at Clark and Subic would cost over \$2 billion."<sup>14</sup> (This is estimated using Guam's labor costs.) And no site will ever be just exactly the same as the existing ones.

Without minimizing the very real cost of new facilities, it should be pointed out that it is not necessary or perhaps even desirable to duplicate the extant facilities. Along with any decision to move would come a coordinated analysis of exactly what facilities and services would be necessary.

bases. These countries lie in the strategic center of the area, are removed from the mainland, and straddle the boundary interface between the Pacific and Indian Oceans. These countries also control the key international straits between the two oceans. These seaways are of prime and continuing interest to the U.S. These countries appear to have natural resources which would make them favorable sites: many ports; a large, relatively inexpensive labor force; government support for such employment away from major population centers; and a desire to keep a strong, stabilizing U.S. presence in Southeast Asia.

Drawbacks include the political instability of these countries; unskilled labor forces; and the determination of these countries to remain non-aligned, and to promote smooth relations in ASEAN which, as a whole, would resist anything with the potential of exacerbating the situation in Vietnam.<sup>12</sup>

#### E. COSTS

There are several elements which must be factored into the costs. The cost of purchasing the land, building new facilities, moving to the new site and, as pointed out in the discussion about Guam, the new operating and support costs.

The cost of purchasing the land is the hardest to estimate. It is dependent on the location chosen, the size, etc. It is very dependent on U.S. relations with whatever country owns the land.

The Indochinese peninsula is also unsuitable, Vietnam and Cambodia for obvious reasons, and Thailand because of its neutral and independent political position, in line with that of other nations in the region, and with ASEAN. Thailand is concerned with securing its borders and will do nothing to exacerbate relations on the peninsula.

Singapore, strategically located and with established shipyard facilities could handle some increased U.S. naval repairs and possibly some increased military air traffic, but a significant base in Singapore would require permanent facilities and this is politically unacceptable to the Singapore government and to ASEAN.<sup>9</sup> Also, what is considered to be Singapore's geographical advantage under normal conditions could become its worst enemy in time of war if the straits were closed and ships were forced to seek alternate routes between the Western Pacific and the Indian Ocean.<sup>10</sup>

Some Australian capabilities might be found, but the development of Cockburn Sound near Fremantle, besides being too far from the South China Sea, would require very extensive preparations--on the order of several billion dollars. Although U.S. access to Australian facilities probably would be less susceptible to political pressures than in most of the other areas, and the advantages of working with a close ANZUS partner are obvious, the long distances make this option logistically unattractive.<sup>11</sup>

Locations in Malaysia and Indonesia (and Brunei) would appear to be the most favorable for possible replacement

#### D. OTHER COUNTRIES

Japan, and Korea are too far north to be practical as replacements for Subic and Clark, just as Guam is too far east (see Figure 4). Okinawa, being part of Japan, has a skilled, though small, labor base, but an expensive one. It also has some U.S. military facilities. All U.S. bases in Okinawa, however, are of limited utility, given our agreement to use them only in defense of Japan.<sup>5</sup> In addition,

the Japanese generally feel that their provision of facilities to the US Navy is just about at the saturation point. The political possibilities of Japanese agreement to a transfer of such magnitude seems nil.<sup>6</sup>

Kaohsiung, on the southwest coast of Taiwan, is an excellent site in every way except politically. The location is good. It has a shipyard and nearby military airfield facilities, with a skilled and extensive labor force which is not prohibitively expensive. Even though the R.O.C. would probably welcome us,

the idea that the United States, in total contravention of the Shanghai Communique and in defiance of our burgeoning relationship with Beijing, would move major military installations to Taiwan defies credibility.<sup>7</sup>

Therefore, Taiwan is out.

For similar reasons, Hong Kong cannot be considered, though there is speculation that the government of the People's Republic of China might allow the U.S. use of the port during a confrontation with the Soviet Union.<sup>8</sup> No permanent U.S. facility would be likely, or even possible, considering Hong Kong's overcrowding and high rate of employment.

by the U.S. under an agreement between the UN Security Council and the U.S. Congress. The U.S. has authority over, and responsibility for, TTPI's foreign relations and defense matters, and is authorized to use some of the islands for military purposes. The U.S. is also obligated to foster socioeconomic development of the islands and to prepare them for eventual self-government. These islands have a variety of cultures and languages, and each small unit wants its own separate political present and future.<sup>3</sup>

Aside from Guam, only Palau in the entire area possesses the geographic requirements for both air base and major port development. Saipan and Tinian, both of which are suitable for large airfields, have limited harbor facilities. Saipan's facilities are minimal; on Tinian, the situation is marginal even with the impressive artificial harbor constructed during World War II, which may be adequate for logistic support of an airbase complex but not for sustained support of seagoing weapons systems.

Consequently, base development in the Marianas must consider Tinian, Saipan and Guam as an integrated system, a point frequently overlooked in considering the problem, particularly in connection with proposals for airfield development on Tinian.<sup>4</sup>

Palau is about 500 miles closer to Asia than Guam, but any base development must start from scratch, which presents significant economic and political difficulties.

increases in operating costs. For example, fuel obtained from the Persian Gulf would require 10 more sea days per roundtrip for delivery to Guam than to the Philippines. These increased support costs would amount to at least \$350 million per year.

Because Guam is farther from contingency and operating areas than the Philippines, additional support ships and antisubmarine warfare aircraft would be needed to maintain the level of military operations in the Western Pacific and Indian Ocean. It is also likely that some additional air refueling and strategic airlift assets would be required. These additional ships and aircraft would cost at least \$4 billion to procure, and several million per year to operate.

Major expansion on Guam would create a work force problem in terms of numbers, wages, and skills. In many cases, skilled labor would have to be imported from the Philippines, Japan, or the United States.

Finally, it is estimated that 5 years would be needed to complete the relocation, and during the actual relocation a serious gap in capability could exist.<sup>2</sup>

#### C. TRUST TERRITORIES

The Trust Territories of the Pacific Islands (Micronesia) are, along with Guam, often considered as possible replacement sites for the U.S. facilities in the Philippines. The area consists of some 2,141 islands with a population of about 130,000. Since 1947, they have been administered

the land on Guam, and there has been pressure to release some of it to the Government of Guam. Acquisition of new property on Guam is severely constrained by commercial development and urban growth of the civilian population. Thus it would be difficult, if not impossible, to acquire additional land on the island.

Even if the land could be acquired, Guam is not large enough to absorb the basing needs stemming from a move from the Philippines. Land availability would still be a problem even if the U.S. exercised the land options we have in the Northern Marianas and any we might obtain later in Micronesia. There is simply no place large enough to accommodate, for example, the 44,000 acre Crow Valley Weapons Range currently located at Clark. Moreover, the extreme concentration of military capability at one location, such as Guam, and the impact of major expansion on the civilian population are probably prohibitive considerations.

Construction costs would be substantial. To completely duplicate on Guam today all the facilities currently located at Clark and Subic would cost over \$2 billion. Some estimates place the costs between \$3 and \$5 billion.

Support costs would increase. The man/day cost on Guam is over five times that of the Philippines. It is estimated that the naval repair work done yearly at Subic would cost at least \$125 million more in Guam.<sup>1</sup> Also, ships and aircraft would be operating over longer distances with resulting



comparatively high. The annual average is not more than 80 percent, with minimum values recorded in April.

The west coast of Palawan is exposed to the Southwest Monsoon. It is sheltered from the Northeast Monsoon and from the trade winds by the mountainous terrain. Typhoons are infrequent off the west coast of Palawan. Only about seven percent of the more serious typhoons that affect the Philippine Islands are experienced in this area. There is little chance of a typhoon passing off this coast, as most of them recurve NE before reaching Palawan.

#### C. MALAMPAYA SOUND

Just north of Cape Ross, the northwest coast of Palawan is deeply indented by Malampaya Sound, one of the best natural harbors in the Philippine Islands. It extends about 20 miles southeast and near its head is only 2 and 1/2 miles from the east coast of Palawan. The sound, which affords safe anchorage for a large number of deepdraft vessels, is divided into two parts by the headlands projecting from the shore, and by several islands. Both the southeastern and eastern sides of the sound have large areas of low, flat land suitable for an airfield (see Figure 8).

Malampaya Sound is divided into Outer and Inner Sounds which are connected by an inner strait. At the mouth of the outer sound sits Tuluran Island, the largest island off the west coast. The sound is entered from north via Endeavor and Worcester Straits, which run between Signal Head and

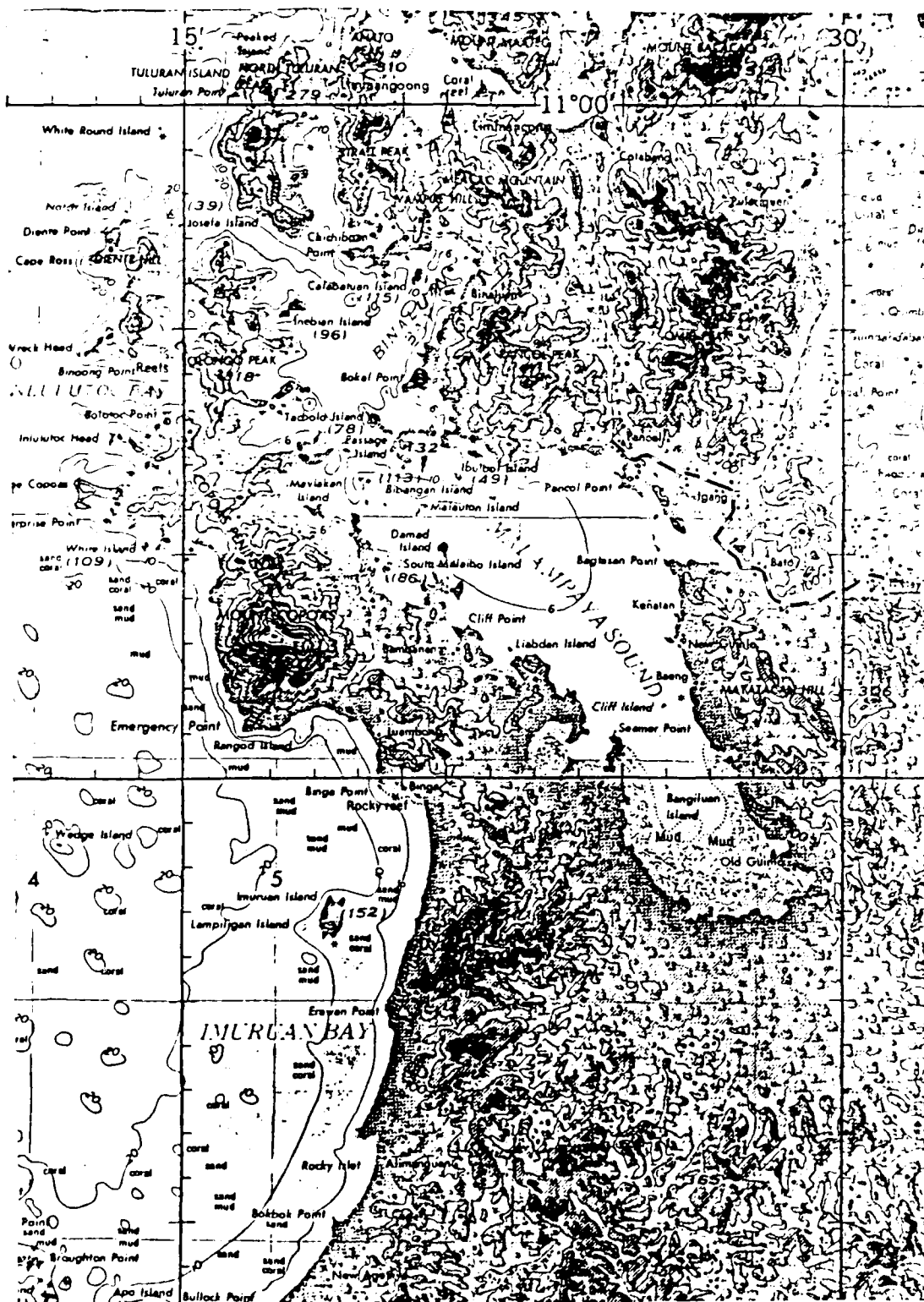


Figure 8. Malampaya Sound, Palawan Island

Tuluran Island. It can be entered from the west by passing south of the island. Because of the numerous islets, rocks and reefs in the strait connecting the inner and outer sounds, the navigable passage is reduced to a width of about 1/4 mile.

The shores of the sound are generally steep and densely wooded, rising abruptly from a beach intersected by many bold headlands, rocky points and small areas of mangrove swamp. The region in the vicinity of Malampaya Sound is sparsely inhabited.

A small town, Liminangoog, lies just south of Relinquish Head on the northern coast at the entrance to Malampaya Sound. Another small village, Binaluann, lies just a little further in, on the north coast of the outer sound.<sup>5</sup> There are about three other small towns on the northern part of Palawan. All of these are small villages which make their living from fishing.

#### D. THE PEOPLE

The largest town on the island is located in the center point of the eastern coast. This town, Puerto Princesa, is 15 miles from the location of Iwahig Prison and Penal Farm, one of the four penal colonies in the Philippines. Established in 1904, it is one of the world's oldest and largest prisons without bars. It is intended to be a place for reformation for prisoners of good conduct and to give deserving prisoners the chance to live with their families on the

colony farm. Ex-colonists who wish to remain can even homestead on a settlement at the south end of the colony.

This prison has become the major, if not the only, tourist attraction of the islands. Every morning a blue jeepney crowded with holiday-makers leaves Puerto Princesa for Iwahig to allow the tourists to enjoy swimming, camping, hunting, shell-collecting and scuba diving--all within the boundaries of the colony. The prison has no security checks at its gates, letting the tourist jeepney in, and allowing an average of eight prisoners a month a chance to escape. Not to worry, there is an 80-85% recapture rate. (Prisoners are easily recognizable in the small barrios around Iwahig; the villagers themselves often report escapees to the police.)<sup>6</sup>

About 30 nm NE of Palawan is the island of Culion, which, along with its several adjacent islands, makes up Culion Reservation, the leper colony of the Philippines. Many people think this island is much closer to Palawan than it actually is, sometimes confusing it with the penal colony.

#### E. THE MOROS OF PALAWAN AND THE NPA

Many people ask if there might not be problems, moving into an area in the southern Philippines where there might be trouble from the Moros, especially their militant activist faction, the Moro National Liberation Front (MNLF) and the New People's Army (NPA), the "communist" insurgents. Actually, though Palawan is considered a Moro island, because of its low population, there have been none of the conflicts between

the Moros and the Christians which occur in the other islands. The same is true for the NPA which, if it exists on the island, has shown no activity.

1. Moros

Ninety percent of all Filipinos are Christian. The remaining 10 percent is comprised of the unassimilated Chinese and the Moros (Muslim Filipinos). The Moros are principally located in the coastal lowlands of southern Mindanao, the Sulu Archipelago, and the southern end of Palawan.

Moros are divided into at least ten groups, differing in language and degree of Muslim orthodoxy. The four most important groups are the Magindanao and Maranao of the Illana Bay area of southern Mindanao and the Tausug and Samal of the Sulu Archipelago and the Zamboanga peninsula; the Melabuganon of southern Palawan; and a tiny group known as the Jama Mapun on the Cagayan Islands in the Sulu Sea. Together they numbered approximately 1.6 million in the 1970 census.

Despite the differences among and between the various groups, Moros have demonstrated considerable solidarity when confronted with a perceived threat from the outside. To a large extent this solidarity stems from a fear that Christian outsiders want to deprive them of their religion and way of life. Enmity between Christian and Muslim Filipinos in the twentieth century has often been fueled by the movement of large numbers of land-hungry Cebuanos, Ilokanos, and other

Filipinos into parts of Mindanao that the Moros have considered their own.<sup>7</sup>

Nur Misuari, a key leader of the Muslim hard-liners has claimed that the Moro National Liberation Front has made its

final, unalterable, and irreversible decision to return to the original objective of seeking the complete freedom and independence of the Bangsamoro people and their national homeland of Mindanao, Basilan, Sulu, and Palawan.<sup>8</sup>

Since there has been no immigration to Palawan, there have been no problems on that island from the Moros, even though it is part of their traditional homeland. Nor is it anticipated that the building of a U.S. base on the northern end of the island would, per se, cause any problems.

## 2. NPA

Like the Moros, the NPA might be thought to be a possible problem were the U.S. to attempt to get a site in the southern Philippines. This might be true for many of the islands, but not for Palawan. If there are any NPA on Palawan, which is not very likely since the island is so isolated and so unaffected by the government in Manila, they are virtually inactive. Palawan is not their kind of place.

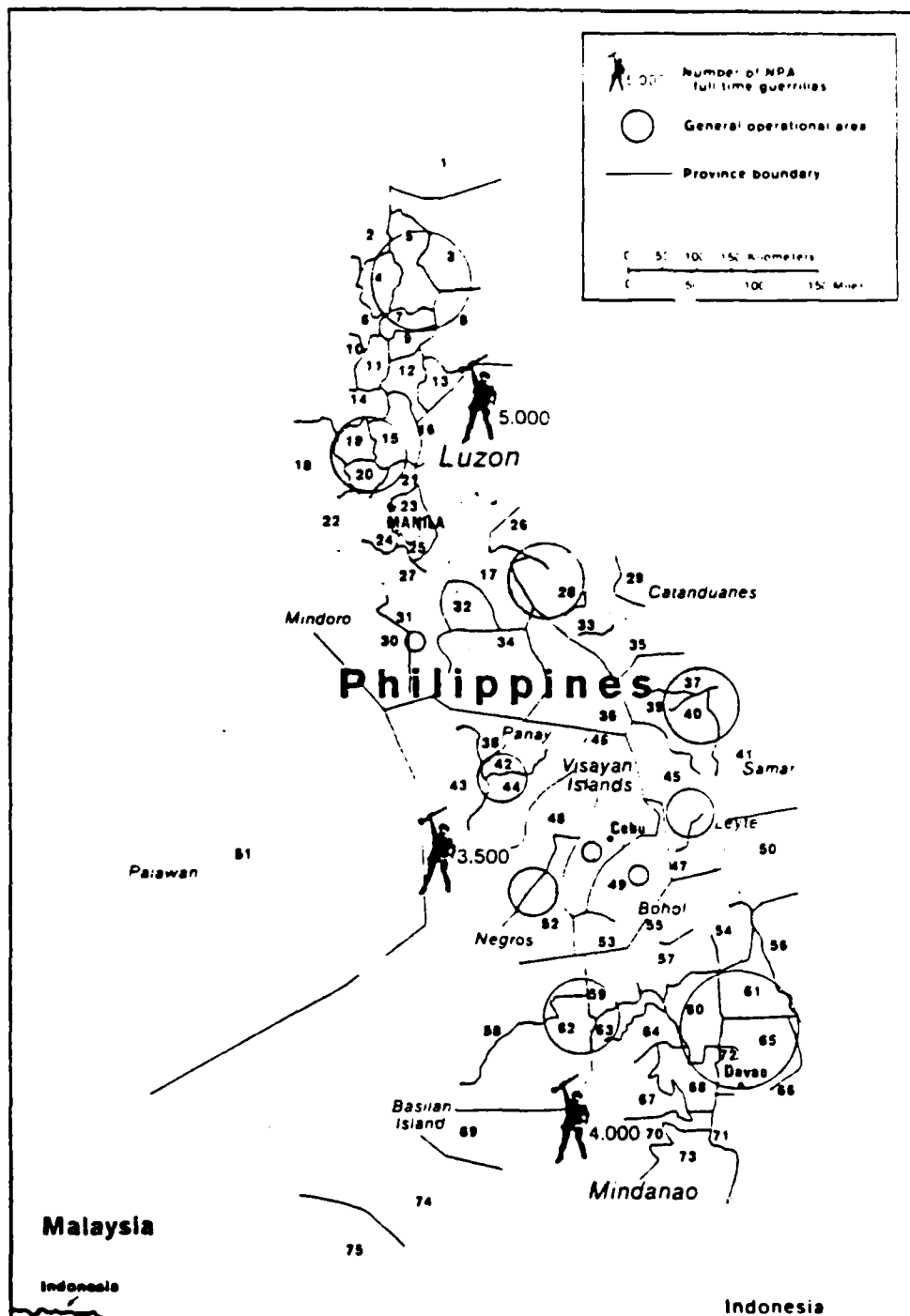
The New People's Army is not a spontaneous popular movement campaigning for human rights and agrarian reform. The NPA is the military arm of the Communist Party of the Philippines (CPP). It follows classic Marxist-Leninist tactics adapted by Mao and applied in a Philippine context.

It is the recruiting and proselytizing organ of the CPP, and it provides the political and administrative infrastructure for "liberated" areas in the countryside.

Relying for the most part on techniques borrowed directly from Chinese and Vietnamese communists, the NPA exploits problems in the society, such as the loss of confidence in the Marcos regime, recurrent military abuses and the deteriorating economic situation, far more than it relies on communist indoctrination to win converts.

The NPA has an organized presence in 80% of the Philippines' 73 provinces and is especially strong in certain areas of Mindanao, central, northern and southern Luzon, and several of the Visayan Islands in the middle of the archipelago. This is illustrated in Figure 9. There has been no NPA activity on Palawan, nor has there been any militarization like that in the rest of the country, as shown in Figure 10. The NPA influence in the countryside is expanding. Its greatest strengths are the abuse, inefficiencies, corruption and complacency of a regime long in power.

Obtaining reliable strength figures for the NPA is difficult. Until recently, the Philippine Government downplayed the insurgent threat, at least in part to defend its original rationale for martial law. Officials suggested that at most only a few thousand guerrillas existed in the Philippines. The official line changed in May 1984, however,



Source: Brown, Frederick Z. and Ford, Carl, "The Situation in the Philippines," a staff report prepared for the Committee on Foreign Relations, U.S. Senate, 1984.

Figure 9. Estimates of New People's Army Strength





Shoshone on estimated 250,000  
people involved  
Seven del Norte/Aguilar del Sur  
120,000 people  
Seven del Sur, Kapetagon Valley  
52,000 people  
North Colorado, Archaic Valley  
5,000 - 7,000 people

The figures available for other  
Shoshone areas above.  
Some, Friday, or Canyon put

No figures available for other  
 thousands across state.  
 Bremer, Pomeroy, or Canyon yet

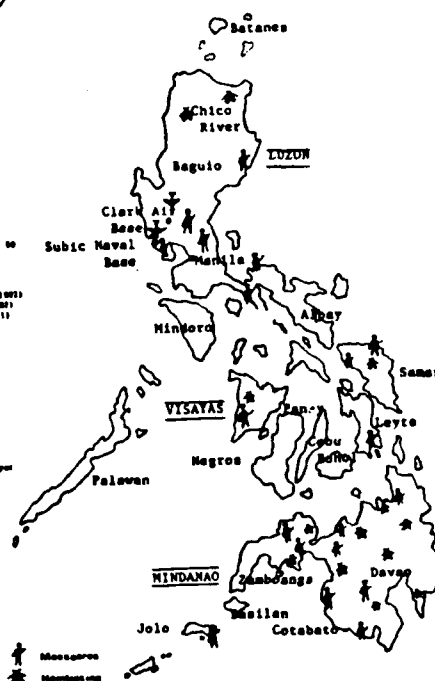


Figure 10. Map of Militarization

when President Marcos stated publicly that there were at least 6,800 armed guerrillas. The NPA, for its part, claims to have obtained 20,000 weapons by the end of 1983. Although there is no way of knowing for sure, many observers believe that the NPA claim more nearly reflects the true state of affairs. The NPA probably can now field some 10,000-12,500 full-time armed guerrillas, and an additional 10,000 part-time militia soldiers.<sup>9</sup>

#### F. ATTITUDES OF FILIPINOS

Since it is estimated that neither the Moros nor the NPA would have any objection to the idea of the U.S. moving to a new base site on Palawan, the next questions are what would be the attitude of the people of the Philippines and of their government?

Most likely there would be little objection, if any, from either of these groups. (This is not to say that there would be no objection, since "you can't please all the people.") For different reasons, both of these groups would likely favor such a move by the U.S.

The people of the Philippines have a love-hate relationship with the U.S. Though they do not want the U.S. to control their government, and thus many of them say "Yankee Go Home," at the same time they do not want to be left all alone in the cold, cruel world. What they want is more like a family-style relationship than a business one. We know how we both love and hate our close relatives. But that

does not mean that we want our relatives to throw us out of the house and change the locks.

The people of the Philippines definitely want a U.S. presence in the Philippines. All observers of the Philippines agree on this. Given a choice between keeping the U.S. presence at Clark and Subic, or having the U.S. move completely out of the country, there is no doubt that the Filipino people prefer the status quo. How would they feel about the U.S. moving to Palawan? At the very least they would have no objection and, once they realize the advantages, they would support it.

The same is true for the businessmen and the government of the Philippines, since the advantages of the U.S.'s movement would accrue more directly to them. These advantages come from the increased economic activity in the southern Philippines, due to having the U.S. base there, and from the possibilities that can be opened up in the areas the U.S. will vacate.

#### G. ATTITUDES OF OTHER COUNTRIES

Most of the rest of the people in Southeast Asia are interested in seeing a strong U.S. presence in the Philippines, in large part because the U.S. is a peace-keeping and sea-patrolling presence. Though it is not directly a question of "aligning" with either the U.S. or the U.S.S.R., as in a bipolarized world, if the U.S. were to leave, the locals, who tend to get very worried about encroachment by

the Chinese, would look towards whatever kind of counter-weight was available.

#### H. PURCHASE VS. LEASE

Two obvious questions are, "why buy instead of lease," and "would any sovereign nation sell part of its territory."

Purchase does seem a fantastic idea, but it has two advantages: the first is that it makes a strong statement about the permanence of U.S. presence in Southeast Asia; the second is that a purchase gives a definite distance from the government of the Republic of the Philippines--it is a finished business deal that leaves open no questions of influence or blackmail, jurisdiction or control.

Second, would any sovereign government sell any part of its territory? Well, why not? The skeptic points out that a lease allows them to throw out the lessor, if they so desire, and regain use of the land. This is true. But land gets sold, traded, or conquered all the time, all over the world. Just because two sovereign nations are involved, instead of two private citizens or two corporations, does not change the fact that people sell because it is the better deal to do so.

For one thing, the buyer wants to buy, not lease, so if they want the profits, they sell or don't get anything. Also, both sides will look at the total balance of all factors involved in the deal in deciding whether to buy or to lease. Given the many advantages which come from

having a new, permanent, basing site for the U.S. (such as the economic growth which will come from the construction and services provided to the base); from opening the facilities at Clark and Subic for commercial expansion of Manila at low cost; from the increased distance of the U.S. influence; from the security that U.S. permanence would bring; from the fact that for all time there has been so little use for Malampaya Sound and that there seems to be no use (this harbor is the only natural asset: there is little fishing, no agriculture, and no room for population expansion); that it removes the nuclear magnet of the U.S. base from Manila and any other population center; it is not unlikely that the owner of the land could decide that selling could be as good if not better than leasing.

The greatest of these arguments is the political one, of the relationship between the U.S. and the Republic of the Philippines. If the land is bought and not leased, it removes the argument that the U.S. is applying pressure to control the R.P. government because the U.S. so desperately needs to keep the bases. It shows this to both the citizens of the R.P. and the players in the international arena. It shows that the governments of the U.S. and the R.P. are not interdependent, but separate and friendly.

Though purchase is clearly best, it might be more feasible at the beginning to lease the land, with a stated intent of purchase, and prepare some minimal facilities such

as anchorages and storage facilities at the site. Later would come the actual purchase and buildup of the facilities. This more gradual approach might help everyone get accustomed to the idea.

together" informally as well as formally. They could get together over tennis, golf, swimming, etc. This informal, relaxed atmosphere should be enforced by not permitting uniforms after working hours. Everyone should wear the Filipino "barong tagalog," especially at the various official cocktail parties and suppers.

The working schedule should be equally relaxed. It should be a 4-day work week, not a 6-day one, with a few days break to refresh everyone. Filipino customs must be observed, most especially the custom of "presentos." These gifts need not be expensive ones, but nice--silver cigarette cases, invitations to speak at the Naval Postgraduate School, etc.

Such ideas as these may seem a little simplistic and perhaps unnecessary, but remember the story of the Naval officer commuting from Manila to Subic for an example of how we usually run negotiations.

## E. THE MEETINGS

This idea of a long-term relationship is very important. That's the way the Filipinos look at it, and it's the best way to go about the negotiations. That's why the Mutual Defense Board was established in the first place, to make contact and talking routine, rather than something special. This routinized-type of contact should also be incorporated into the negotiation meetings.

A senior Naval officer involved in one of the Philippine Base negotiations tells of his having to start his working day in Subic Bay, then helicopter to Manila for the negotiations. After a full day in Manila, he had to return to Subic Bay and work for several hours on his regular job. Some days he went back to Manila for an evening session on top of everything else. It's easy to imagine that he (as well as everyone else) was exhausted during all this.

Negotiations shouldn't be conducted at such a breakneck, exhausting pace. Not that they should continue indefinitely, but relaxed is better than pressured. Towards that end, the setting should be selected just as the people were selected: it should be the best kind to show a long-term nature and equality in our relationship. In addition, it should have more of a Filipino nature than an American one.

To begin with, the setting should not be Manila, but Baguio, where life moves slower and there are fewer distractions. This would give the participants a chance to "work



non-authoritarian types, since it has been shown that empathetic tendencies are inversely proportional to authoritarian tendencies.<sup>8</sup> What is commonly done, though, is not to choose people for their selected personality characteristics, but to choose front-running senior officers, John Wayne types, who are representative of the ideal leader, not the ideal negotiator.

Physically, a lot of these representatives also resemble John Wayne. In the past, typically the whole American team has towered over the Filipino team. It would go far toward setting an atmosphere of equality if the members of the U.S. team were as close as possible to the size of the Filipinos.

When looking for the right people to choose as negotiators, the results of a recent study at Dartmouth College on the subject of negotiation styles should be considered. The results show that

people with more traditionally feminine personalities (mostly women) approach negotiations from a win-win strategy that brings results while preserving good feelings on both sides. Those with a more masculine personality (primarily men) employ a sports-oriented win-lose style.<sup>9</sup>

In this study, they found that the feminine students were more flexible, more willing to compromise, less deceptive and more likely to view the negotiations as part of a long-term relationship. These "feminine" personalities are exactly the right kind to be conducting negotiations for us in the Philippines.

hierarchies, and particularly their leaders, tend to develop cross-cutting and informal alliances with one or another of the Philippine strong men. For some time, American diplomacy in the Philippines has been governed by the questionable premise that objectives cannot be achieved through institutions, only through effective and powerful men. The Manila diplomatic system develops 'personalities' within the American community that exacerbates the problem, which is only to be expected in such a personality-oriented system.<sup>7</sup>

Officers at the level of CINCPACFLT or COMNAVBASEPHIL should not be involved in the details of negotiation. Details should be worked out by junior officers; ones who have been picked and trained for the jobs, particularly ones who don't have jobs to defend.

As mentioned above, the negotiating officers should be trained not only in international negotiations, and the sociology and psychology of the Filipino people, but first should be picked for their own psychological and physical characteristics. Though a number of characteristics are relevant in this connection, we will only examine a few.

An extremely important trait to look for in U.S. negotiators is their empathetic tendencies. This has been defined as "social sensitivity" or "the ability to size up people." It is directly related to the ability to get along with people of other ethnic groups. It is also closely connected to a person's lack of racial prejudices. A reliable way to find empathetic people is to pick

battered, one must transcend one's own system. To do so, two things must be known: first, that there is a system; and second, the nature of that system.<sup>6</sup>

This knowledge of the nature of the system of another culture is not quickly or easily acquired. Most Americans know little more about the Philippines than the name of its president, if that. Even the informed public knows only the American side of the relationship.

It is important that the negotiators become familiar with the import of such trends as rising nationalism in the Philippines, the effects of the high population growth rate, Philippine relationships with ASEAN and Japan, and the popular attitudes towards their incumbent politicians.

#### D. CHOICE OF NEGOTIATORS

While training of the people chosen to negotiate, as outlined above, is absolutely essential, almost as important is the selection of the negotiation team. The U.S. should select the right people to do the actual negotiating, people who are chosen because of their personality characteristics, and who have no duties which might interfere with their efforts at negotiation.

The Mutual Defense Board, on which top Philippine officers sit with the commanders of Subic Bay Naval Base, Clark Air Base, the Ambassador, and several others, makes Filipinos feel part of the American process, and is a useful communications link, but it is peripheral to American policy, and has no real power. In addition, each of the American

Third, it would be less suspicious of the motives of others, and more willing to chance the possibility that a sincere desire for peace is not the monopoly of one side. Fourth, it would be less greedy. It would approach the conference table not with the insistence that "our" side has to win, but with the readiness to find a solution that is reasonably satisfactory to both sides.<sup>5</sup>

With the adoption of negotiating attitudes such as Klineberg proposes, and with such tools as the analysis and value system already used informally previously in the Panama and Philippine negotiations, future efforts might well be more effective.

It is not time to trace the histories of the Philippine Islands, and of the U.S.-R.P. negotiations. Suffice it to point out that acquaintance with these for the negotiators is both simple good manners and a way to prevent the "re-invention of the wheel."

It is worthwhile, however, to highlight the importance of cultural impact. Contrary to popular belief, people everywhere don't want the same things. Different cultures produce peoples whose perceptions of the world are quite different. On top of this, one's own culture causes bias and a closed system, unappreciative that there are other "right" ways to do things.

Thus, the blindman's-buff analogy is a much oversimplified example of the situation we face when we interact with members of other cultures or even variants of our own culture. This means that if one is to prosper in this new world without being unexpectedly

This remark illustrates that even such a skilled negotiator was merely "trying to do a good job." This sense is widespread among diplomats, many of whom believe that, if negotiations require special skills, these come through an acquired 'feel of things' and are beyond capture and transmission as rules and theories.<sup>4</sup> This unfortunate attitude ignores the large body of writing by negotiators of previous times who attempted to capture the essence of negotiation in order to pass it on to future practitioners. This attitude also ignores the more recent results of scientific studies of negotiating situations.

Negotiators should be and can be trained in negotiation. They don't have to learn only through experience. The necessary information is available, and its utilization will not only produce better negotiators, but better negotiations. The changes produced by such an approach toward negotiation are felt by some to be able to offer new hope in the international arena. Otto Klineberg has written that such a new approach would be successful and would have four characteristics.

First, it would be more flexible because rigidity inhibits any receptivity to fresh ideas or proposals and results in freezing positions at the status quo. Second, it would be more understanding, taking into account how the situation appears to both sides, how our actions look to them, how our suggestions will be interpreted by those who see the world from a different perspective.

negotiations, and the movement and pattern of concession, the people involved felt that one of the most important benefits of the analysis was a generated creativity.

It gets people to think about the integrative aspects of bargaining, not only the distributive ones," said one of the team members. "Typically, people approach a negotiation thinking only about their own position, about how to defend it, and (if they must) about compromise without actually giving up anything. The analysis draws people into thinking about how they can improve their own total score by trading off asymmetric interests.<sup>3</sup>

This kind of thoughtful preparation should be obligatory for any interaction between the U.S. and the Philippines.

#### C. TRAINING OF NEGOTIATORS

Negotiators must be trained not only in the art of negotiating but also in the record and background of the U.S.-R.P. Military Base negotiations. This should include as a minimum, the history of the Philippines, their culture, psychology, and sociology. Negotiators should know the people they are dealing with and the real, as well as the apparent, reasons for the negotiations. This cultural background is possibly even more important than training in skills of negotiation.

At the present time, however, most of those involved in negotiations have had no training in the field of negotiation, nor is it currently acknowledged as necessary.

Elliot Richardson said, "I never thought of myself as [anything in particular], I simply tried to do a good job. But I suspect now they will be writing about my appointments from now on in terms of my experience as a 'negotiator.' Perhaps some day I will find out what that is."

that would have been divisive if done in conjunction with interested parties within the government) the team also recorded their individual perceptions of the Panamanian position on the importance of each of the items.\*

After interviewing, the consultants, using the additive scoring systems devised, generated the 'efficient frontier' of possible treaties and constructed a number of possible treaties, whose scores fell within the efficient frontier.

Members of the U.S. team were then assigned roles, and simulated bargaining sessions were conducted to develop a feel for the approaching negotiations. It also helped them to explore alternative packages of issues and to construct verbal arguments for and against various proposed sets of arrangements.<sup>2</sup>

In the 1978 negotiations of amendments to the Military Bases Agreement with the Philippines, a similar analysis of the issues was replicated. In both cases the scoring systems were not used during the actual negotiations, but were employed between sessions to help the team adjust to the changes in the situation.

Besides the usefulness of such an analysis in training the negotiating team, and helping them chart the progress of

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\* It was regarded as particularly important by the reporter of the analysis (Raiffa, 1982) that all of this took place internal to the negotiating team. Interested U.S. governmental bodies were not consulted, because such agencies have widely differing concerns and strong allegiances to their vested interests, unlike the negotiators who also have a strong desire to negotiate.

style of negotiation, as mentioned above, a non-zero-sum style, and insuring that negotiators employ it are as important as the setting of the goals.

It is not impossible to break out of the usual mold. A notable and successful alternative method was used in the 1974 Panama Canal negotiations, and again in negotiations for amendments to the Military Bases Agreement in the Philippines in 1978.

#### B. A CASE STUDY IN 'THOUGHTFUL NEGOTIATING'

In the June, 1974 Panama Canal negotiations, the U.S. negotiators used a consulting firm to help formulate a negotiating strategy. The consultants interviewed members of the negotiating team, and on the basis of the responses concocted a point scoring system (a value function, which assigned measurable units to each issue) for the U.S. side. An example of this was to assign a range in years for the duration of the agreement. Another was to assign a range acceptable for the cost of the compensation.

This scoring system reflected the tradeoffs that the negotiating team deemed appropriate, with all viewpoints and pressures informally incorporated. A consensus, if attempted, would not have been achieved, but the team wanted a means of articulating some of their trade-offs because they anticipated a need for such knowledge in the external negotiation process.

Besides giving a value function to each of the issues and assigning importance weights for the U.S. side (a task



The choices, then, are to discard these goals because they don't fit, or, to change our attitudes and strategies and incorporate all of our goals. In fact, many are beginning to advocate a change. They feel that negotiating should not be thought of as a zero-sum game. In his address at the University of Washington in Seattle in November 1961, the late President Kennedy said,

It is a test of our national maturity to accept the fact that negotiations are not a contest spelling victory or defeat. They may succeed, they may fail, but they are likely to be successful only if both sides reach an agreement which both regard as preferable to the status quo, an agreement in which each side can consider that its own situation has been improved.

Even so, diplomats and negotiators have usually gone to the negotiating table in a zero-sum frame of mind, with a clear idea of exactly what they are supposed to 'get' and what they may 'give up.' However, these predetermined positions are not necessarily conducive to successful negotiations.

A 1962 study of 'conferences' showed that when the participants functioned as representatives of groups, with prepared answers, they were much more rigid and uncompromising in their positions, and unwilling to change, so that deadlocks commonly occurred. In addition, they were usually unable to judge the quality of the solutions objectively. Clearly, rigid adherence to prior commitments is not the best preparation for finding adequate solutions to difficult problems....<sup>1</sup>

Yet this rigidity seems to typify most international negotiation. The daily paper prints more reports of deadlocked negotiations than successful ones. This is why training in a thoughtful, non-competitive and unabrasive

lasting nature of our relationship with the people of the Philippines by paying attention to the goals of the negotiation and to the training of the negotiators. Preparations in these two areas will demonstrate our concern for the people of the Philippines, and not just their current leader.

#### A. DETERMINING GOALS

When talking about goals, I am referring to both the specific, concrete, measurable goals as well as the unmeasurable and usually unstated goals such as maintaining long-term friendliness between the U.S. and the R.P. These less distinct goals are just as important as the stated ones, if not more so. Before going into a set of negotiations, the question should be asked about not only what do we want to get, but also, where do we want to be. In the case of negotiations with the R.P., this will include such items as maintaining friendly relations, thinking as much of the Filipino needs as we do of our own, etc. It should not be as much a matter of what we want, as of the best way to give each side as much as possible of what they each want.

Instead of looking at negotiation as part of the totality of a relationship, most people, especially the participants, tend to think of each case of negotiation in isolation, and to treat it as a zero-sum game, where anything gained by one side causes an equal loss for the other side. However, the unmeasurable-type goals stated above don't fit into a zero-sum format.

## VI. NEGOTIATING CONSIDERATIONS

Three things must be considered by anyone going into a negotiation: what outcomes are desired; those who will be involved in the negotiating; and (for lack of a better phrase) the political climate. The relative importance of these varies in each separate negotiation. The third item is, of course, the hardest to control, and can often prove to be the most important, as it usually sets the 'tone' for the negotiations.

The very obviousness of this often causes people to forget that the other two parts of the "negotiation triangle" are also very important, especially in the case of negotiations with the R.P. The flashiness of President Marcos' actions, which set the political climate, can blind us to the fact that the U.S. has had a long history of working with the R.P., giving a great depth and complexity to our relationship; a relationship which is stronger and more important than the vicissitudes of a political relationship dependent on a man like Philippine President Marcos.

In the case of the Philippines, it is important that we remember that the current problems caused by Marcos are only an aberration in the democratic climate of the R.P. It is important that we look beyond the "political climate" and keep in mind the other two considerations noted above when conducting negotiations. We can better emphasize the

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## VII. SUMMARY

It is acknowledged that the U.S., for its own national security interests, should maintain a presence in Southeast Asia for the protection of the sea lanes, to counter the growing Soviet presence, and to maintain goodwill and a stable relationship with the governments in the area. This U.S. presence is also desired by most of the governments in the region.

The U.S. facilities in the Philippines are one-of-a-kind. They offer the U.S. everything needed to fulfill all of our missions in Southeast Asia. However, these facilities are not an unmixed blessing. There are several political and social problems which are caused or exacerbated by the close, large U.S. presence. These include the questions about U.S.-R.P. interdependence, the "nuclear magnet," and the cost of administration for both countries.

If for any reason the U.S. had to leave the bases in the Philippines, there is currently no really good alternative. No other U.S.-controlled location is suitably located to accomplish the same missions in the Indian Ocean and South China Sea. Nor do any of these localities, for one reason or another, lend themselves easily to expansion. Another problem is that these locations do not have an adequate, available work force.

There are several sites which are suitably located, though not U.S.-controlled. These include Taiwan, Hong Kong and Singapore. These sites also suffer from the lack of capability for expansion, and they have the added problem of the political difficulties, as well as some problems with the use of the labor force. Singapore has the additional complication that its location is equally good and bad, depending on the situation.

All the sites in Japan, Australia, and New Zealand are located too far from the South China Sea to be useful. Locations in the Indochinese peninsula are politically impossible to consider.

Since none of the developed sites are really suitable, the other alternative is to find a site in a strategic and politically viable location, in the sea lanes and away from the population centers, and to build a new U.S. base there. Because it would need more construction, it would seem to be harder and more costly to get into usable condition, but very likely the situation would be easier to control and perhaps cheaper, since there would be many fewer variables. There would be no local population to inconvenience; workers would be brought in by contracts, which can be changed.

No matter which alternative site is being considered, there is no escaping the fact that it will be costly to build new facilities to replace the Philippine facilities. This cost is compounded by the many factor noted above.

But the important thing to remember is that these costs must not be looked at in isolation: they must be weighed against the costs, both financial and political of staying where we are, and against the costs we would incur if we had to move to the best current alternative, Guam, and operate out of there for any length of time.

The U.S. must have some carefully considered viable alternative to the present bases in the Philippines. No single really good alternative exists and, except for southern Taiwan, no site could become suitable.

The U.S. should simply recognize that the best solution is to analyze our current and future needs, find and buy a site, and build a new base complex which will fill these needs. To that end, this paper has proposed that the U.S. purchase the northern end of the Philippine island of Palawan and build a complete base complex there.

The proposed location is well-located strategically, on the South China Sea, has the best natural harbor in the Philippines, is sparsely populated and over 200 miles from any population center, has excellent natural storm protection, no volcanoes, and good access to the inexpensive skilled labor of the Philippines.

It is anticipated that there will be no significant objection to this proposal from any group in the area, except perhaps the Marcos opposition group, the Anti-Bases Coalition, who want the bases completely out of the Philippines.



Costs of building a new facility to replace Clark and Subic have been estimated to be at least \$2 billion, not including the cost of the land. In the long run, though, pursuing this option would be less expensive than staying where we are, because we would have more direct control over the costs. It would also be much less expensive to build and to operate on Palawan than Guam or anywhere else because we would be using the less expensive Filipino laborers.

Just like running a football team, negotiations must be carefully managed. The right people must be chosen, they must be trained, and to do their best, they must have the right setting. Goals must be set, with the long-term ones being more important than each individual play or game, or round of negotiation. The big difference is that negotiations should be approached in a win-win frame of mind, not a win-lose attitude, as it's called in sports, or zero-sum game, as it's called in politics, and that the unstated long-term goals are often more important than the subject under discussion.

In particular, in negotiations the "other side" must be carefully studied and understood. In fact, in a case such as this, playing the game by their rules is really the best way to "win."

That's what has been proposed in this paper: a completely different way of looking at the old planner's question, "what if the U.S. were to lose the basing facilities in the

Philippines." I have proposed that we ask ourselves instead, "what would be the best long-range position for the U.S. in Southeast Asia."

Since it is in our national interests to maintain a strong presence there, the best way to achieve it is to have a site which we own, completely under our own control. Here we would be able to give strong signals of our intent to all nations in the area, and worldwide, while removing any questions of our being too closely involved with one of the local governments.

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